

FAYETTEVILLE STATE UNIVERSITY REVIEW AND APPROVAL OF UNIVERSITY CONTRACTS

Authority:	Issued by the Chancellor. Changes or exceptions to administrative policies issued by the Chancellor may only be made by the Chancellor.
Category:	University-Wide
Applies to:	<ul style="list-style-type: none"> ● Administrators ● Faculty ● Staff ● Students
History:	Revised – September 8, 2021 Revised – October 6, 2017 Revised – August 28, 2011 Approved - June 16, 2006 First Issued - June 16, 2006
Related Policies/ Regulations/Statutes:	The <i>Code</i> of the University of North Carolina
Contact for Info:	Division of Legal, Audit, Risk and Compliance (910) 672-1145

I. PURPOSE

The purpose of this Policy is to set forth general parameters through which a contract between Fayetteville State University (University) and a contracting party might be reviewed and executed.

No individual is authorized to execute contracts on behalf of the University unless authority to do so has been delegated in writing by the Chancellor or other University official authorized to make such delegations, or unless such has been outlined in this Policy. Any individual who enters into a contract on behalf of the University, without authority to do so, shall be held personally liable for the terms and conditions stated in the contract.

II. UNIVERSITY CONTRACT DEFINED

- A. For the purposes of this Policy, a "University contract" is defined as an agreement intended to have legal effect between 2 or more parties, one of which is the University or any of its subunits. There must be a common understanding among the parties as to the essential terms, mutual obligations, and "legal considerations," meaning that something of value is exchanged. The term "University contract" as defined in this Policy does not include agreements between different units within the University.
- B. Examples of common University contracts include, but are not limited to the following: agreements for the purchase or rental of goods, agreements to obtain the personal/professional services of an individual/company, nondisclosure agreements, gift agreements, or liability waivers.

- C. Agreements are not University contracts if they are entered into purely for personal interests, solely by a University associated entity or by a student organization (except those funded solely by student fees, such as the Student Government Association and Student Activities Council).

III. REVIEW OF UNIVERSITY CONTRACTS

A. Unit Review

The individual initiating the contract for the University is responsible for reviewing the contract in its entirety and determining that (1) the contract language accurately reflects the current state of negotiations, (2) the contract meets programmatic and University mission requirements; (3) the contract is in the best interests of the University; and (4) the contract is sufficiently clear and consistent.

The individual initiating the contract for the University is also responsible for ensuring compliance by the University and the contractor. If the contract involves indirectly or directly other University unit(s) in the performance of the contract (i.e., financial telecommunications and/or space considerations), the other unit(s) must be consulted and agree to perform prior to the execution of the contract.

B. Vice Chancellor's Review

The individual initiating the contract is responsible for obtaining approval of the contract by the Vice Chancellor responsible for the respective division. Such approval is to be endorsed in writing on the first page of the contract. The Vice Chancellor/Unit Budget Manager shall also include on the first page the budget code that will be used to pay for the goods/services.

C. Legal Review

After being satisfied with the form and content of the contract and obtaining the Vice Chancellor's approval, the initiating individual must submit the contract for legal review. The General Counsel or designee will review University contracts to ensure the contracts are legally valid and the terms and conditions are consistent with federal and/or state laws/regulations and UNC System and University policies. The General Counsel or designee shall also determine whether other institutional reviews are necessary prior to submitting the contract for signature and, if necessary, will coordinate obtaining the appropriate reviews.

IV. APPROVAL AUTHORITY

A. Delegation of Authority

The Chancellor has inherent authority to sign any University contract. This authority may be exercised notwithstanding delegations of authority to sign certain contracts to other administrative officers.

B. Delegation of Authority - Chancellor

The University officials listed below have been delegated authority, by the Chancellor to sign University contracts following the review process outlined in Section III above.

1. **Provost and Senior Vice Chancellor for Academic Affairs (Provost).** The Provost has authority to sign contracts related to academic agreements that do not involve purchases of goods or services by the University. This authority excludes those contracts and agreements negotiated by the Provost.
2. **Vice Chancellor for Business and Finance.** The Vice Chancellor for Business and Finance has authority to sign all contracts not delegated to another administrative officer. This authority excludes those contracts and agreements negotiated by the Vice Chancellor for Business and Finance.
4. **Director of Athletics.** The Director of Athletics has authority to sign contracts for athletic contests involving the University's athletics teams.
5. **Chief of Police.** The Chief of Police has authority to sign mutual-aid agreements with other law enforcement agencies for the purpose of mutual assistance.
6. **General Counsel and Vice Chancellor for Legal, Audit, Risk and Compliance (LARC).** The General Counsel and VC for LARC has authority to sign employment related immigration documents and contracts engaging outside counsel on behalf of the University.

C. Delegation of Authority - Provost

The Senior Associate Vice Chancellor for Academic Affairs has authority, in the absence of the Provost, to sign contracts and agreements that the Provost is empowered to sign. This excludes those contracts negotiated by the Senior Associate Vice Chancellor for Academic Affairs.

D. Delegation of Authority - Vice Chancellor for Business and Finance

The University officials listed below have been delegated authority, by the Vice Chancellor for Business and Finance, to sign University contracts following the review process outlined in Section III above.

1. **Associate Vice Chancellor for Administration.** The Associate Vice Chancellor for Administration has the authority to sign contracts and agreements up to an amount approved by the Vice Chancellor for Business and Finance.
2. **Associate Vice Chancellor for Finance.** The Associate Vice Chancellor for Finance has authority, in the absence of the Vice Chancellor for Business and Finance, to sign contracts that the Vice Chancellor for Business and Finance is empowered to sign. This excludes those contracts and agreements negotiated by the Associate Vice Chancellor for Finance.
3. **Director of Business Services.** The Director of Business Services has authority to sign standard facilities use agreements for Seabrook Auditorium. This delegation is effective only if the University's standard facilities contract, approved by the General Counsel, is used. Any changes to the standard contract must be reviewed and approved by the General Counsel.